

# State Energy Program/Rebuild America National Conference Update

U.S. Department of Energy • Office of Energy Efficiency and Renewable Energy

Wednesday, July 31, 2002

## Garman Presents New Vision for Two Programs in EERE

Assistant Secretary of Energy David Garman opened the 2002 State Energy Program/Rebuild America National Conference with a speech highlighting the cooperation between the two U.S. Department of Energy (DOE) programs and the community efforts put forth by state and local energy officials.

Garman also detailed the Office of Energy Efficiency and Renewable Energy reorganization underway at his behest, explaining that by targeting results rather than process, EERE's programs can better deliver energy efficiency assistance to communities and enhance the nation's energy security. Communities and states, the core of the State Energy Program and Rebuild America, are vital to the work towards greater energy efficiency.

His speech neatly expounded on the theme of the conference – Expanding Our Reach.

“We can't do this in Washington, because our success and failure is largely determined by you in the field,” Garman said.

Councilwoman Renee Gill Pratt, representing the City of New Orleans, officially welcomed participants of the conference to the Big Easy. In doing so, she presented Tangular Williams of the Louisiana Department of Natural Resources (DNR) and Garman with certificates proclaiming New Orleans' recognition of this event.

The other speakers from DOE and DNR spoke about the various aspects of investing in energy efficiency and securing our nation's energy supply. Louisiana ranks high in energy production – as a leading oil and gas state. But, as Louisiana DNR Secretary Jack Caldwell explained, doing so puts an enormous burden on the state – particularly because it takes energy to produce energy.

“Louisiana and energy are synonymous,” T. Michael French of Louisiana DNR said while introducing



Lani MacRae, David Garman and Dan Sze check out a pedicab at the Inter-Continental Hotel.

Caldwell. Louisiana has several programs that promote investment in energy efficiency to lower energy intensity, including the Energy Fund, Caldwell said. He called it an “irresistible idea” for local governments “to do performance contracting.”

DOE Chicago Regional Director Peter Dreyfuss

*Continued on page 4*

*Pick up your next National Conference Update tomorrow at the Rebuild America booth or the State Energy Program booth.*

## Agenda for Today

(Rooms are noted in parentheses)

7:30 a.m. - 5:00 p.m.

Registration/Information Desk Open

7:30 - 8:20 a.m. Breakfast

8:30 - 9:30 a.m. **Plenary**

9:30 - 10:00 a.m. Break

10:00 - 11:30 a.m. **Concurrent:**

*Technology* **Off-Road Mobile:**

**Untapped Energy (Pelican 1)**

*Technology* **Improving the Bottom**

**Line in Agriculture (Pelican 2)**

*Buildings* **Energy Design Guidelines  
for Schools (Poydras)**

*Programs* **Essentials for Emergency  
Planning (Cabildo)**

*Programs* **Exploring New Funding  
Frontiers (Pontalba)**

*Markets* **Connecting with Clean Cities  
(Vieux Carre A)**

*Markets* **Next Generation of Energy  
Professionals (Vieux Carre B)**

11:30 a.m.-1:15 p.m. Lunch on your own

1:30 p.m. - 3:00 p.m. **Concurrent :**

*Technology* **Biomass (Pelican 1)**

*Buildings* **Making the Most of Your  
Building Retrofits (Pelican 2)**

*Programs* **Demonstrating Success  
through SEP Metrics (Pontalba)**

*Programs* **Win with Media (Cabildo)**

*Interconnections* **SEP Special Projects  
Showcase (Repeat) (Poydras)**

*Interconnections* **Partnering with  
Industry for Results (Vieux Carre A)**

*Markets* **Developing EnergySmart  
Students (Vieux Carre B)**

3:30 - 5:00 p.m. **Concurrent:**

*Technology* **Wind Energy (Pelican 1)**

*Buildings* **Illuminating Options in  
Lighting Efficiency (Pelican 2)**

*Buildings* **Rebuild America, Energy  
Star: Residential Efficiency (Poydras)**

*Programs* **Market Energy Efficiency to  
Decision Makers (Cabildo)**

*Interconnections* **Creatively Countering  
Air Emissions (Vieux Carre A)**

*Markets* **Financing Efficiency in  
Residential Buildings (Pontalba)**



Louisiana's Paula Ridgeway, featured Tuesday luncheon speaker, is greeted by Rebuild America's National Program Manager Dan Sze.

## Energy Fund Gets Its Day in the Light

Paula Ridgeway of the Louisiana Department of Natural Resources (DNR) delineated the state's Energy Fund during Tuesday's luncheon here at the State Energy Program and Rebuild America conference.

Touched upon during the Opening Plenary, the Energy Fund is an innovative financial tool Louisiana is implementing to conduct building retrofits. The basis of Louisiana's Energy Fund lies in performance contracting. An energy performance contract ties energy savings to building renovations. Building owners or operators "pay back" the cost of the renovation to energy service companies (ESCOs) through reduced energy bills.

As Ridgeway explained over jambalaya, Louisiana DNR pools all the performance contracts for public entities in the state and issues a bond. That bond will be paid off through energy savings from work conducted through the contracts. The finance rate on the program's current bond on the first round of projects was lowered to 3.69 percent by "paying down" the interest from Petroleum Violation Escrow Account funds.

It took Louisiana years to develop the framework of this program, one which Ridgeway, Caldwell and DNR staff praise for its creativity while staying within the bounds of state regulations and guidelines.

As of December 2001, applications DNR received for Energy Fund projects totaled \$250 million. And because the Energy Fund is strictly for buildings of publicly funded agencies and organizations, it works towards tackling the state's \$100 million annual bill – an issue so serious the Louisiana State Legislature passed legislation to try and deal with it.



## A Few Views on What's News

So what, really, can you get out of the 2002 State Energy Program/Rebuild America National Conference, other than a taste of New Orleans? It depends on what you want.

"Part of it's networking, of course," said an attendee from Texas at the Monday evening social gathering, where people networked (and ate and drank) in the Exhibit Hall. "Part of it's any information on any idea we haven't tried."

Some people want ideas on how to shape partnerships. Rebuild community partnerships are pretty much what the local officials want to make of them – not required to fit a federal pattern. So an attendee from Alabama was trying to get notions of how to set up shop.

The latest in modular schools was what an attendee from Florida wanted. In his neck of the woods there has been an increasing need to rely on modular schools.

Many people have a notion of how to deal with technologies and fellow government officials, but the intricacies of contracting are another world. So some people were in New Orleans to explore the world of performance contracting.



## The Skinny on Schools: Solar Power Gaining in Popularity

Foundation for Environmental Education President Glen "Johnny Solarseed" Kizer injected his passion for photovoltaic power into Tuesday morning's session, "Schools Going Solar," with the hope of making solar powered schools the mainstream in American communities.

Kizer was joined by Chip Bircher with Wisconsin Public Service Corporation and Jaya Pichumani, Engineering Manager with Conservation Services Group, in educating conference attendees on the educational, environmental and fiscal benefits of solar powered schools.

While Kizer's enthusiasm is well known in Rebuild America and State Energy Program circles – earning him the nickname Johnny Solarseed from a participant in the back row – the session allowed him and his confreres to disseminate their knowledge and not just their passion to others.

The presentations focused on different projects, but common themes emerged for successfully

implementing solar energy technology. Strategies they recommended include finding a solar energy champion at the school and getting community involvement from the outset of a solar project. These goals help drive momentum and interest in constructing photovoltaic systems.

As an example, Kizer detailed how students at a rural Ohio elementary school raised \$3,000 for a PV array by organizing a parade. The fundraiser generated excitement for the project among the town's residents which bolstered support for the project.

The presenters provided other tips, such as the need for the PV panels to be placed in a highly visible location but one which deters vandalism. Such locations spark interest and conversation with the community and also make it easier for teachers to use the equipment as an instructional tool.

Pichumani noted that solar projects are tools that work well as part of classroom activities, so long as they maintain educational standards.

## Systematic Approaches For Transforming Markets

If you build a better mousetrap, how can you get the manufacturers, vendors and users of rodent control technology to adopt your new product? There are systematic approaches to moving the markets, an audience heard Tuesday during presentations on market development and transformation.

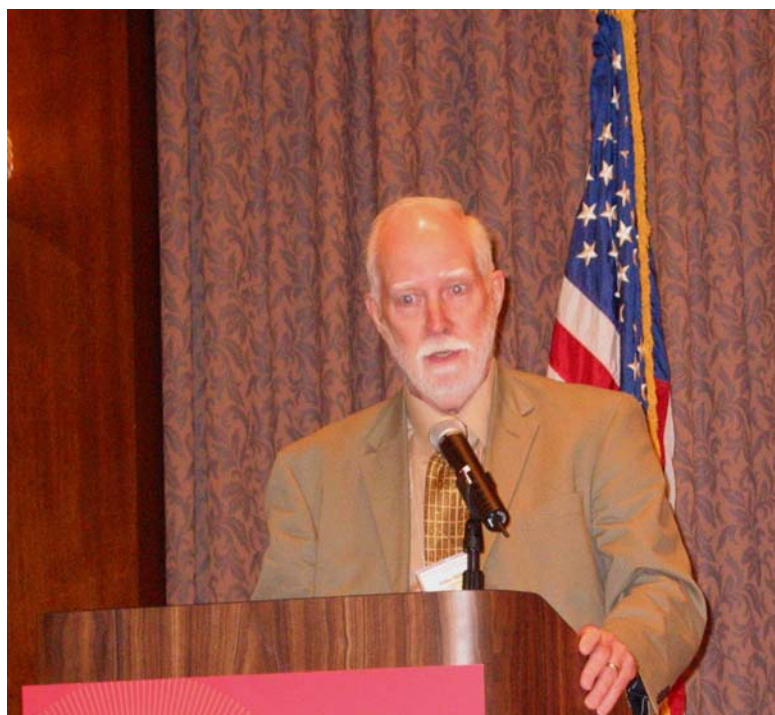
The session, titled “Developing the Infrastructure: A State’s Role,” first heard from Brian Henderson, Director of Energy Efficiency Services at the New York State Energy Research and Development Authority (NYSERDA).

Henderson offered a step-by-step approach: pick a good technology, develop a project budget, identify key players among manufacturers and vendors, identify niche markets, quantify market shares, possibly provide financial incentives to encourage manufacturers and vendors to focus on the improved technology, possibly even provide financial incentives for the retirement of old equipment, establish information campaigns, and try to track changes in market share to measure progress and identify backsliding.

NYSERDA financial incentives have included such things as a loan fund. NYSERDA has cultivated a network of 75 banks around New York State. Local community banks have jumped on the loan fund as a way to promote local community development, Henderson said.

The session then heard Jennifer Thorne of the American Council for an Energy Efficient Economy offer a parallel systematic approach. She stressed such things as the importance of identifying and working with market leaders and the value of getting higher standards written into professional guidelines and state codes.

Both speakers noted that it is hard to track market dynamics, and Jennifer Thorne added that it can be a real challenge to identify the causes of market changes or the market effects of energy-efficiency programs.



John Millhone addressed the Tuesday plenary session.

## Promoting the Programs

*Continued from page 1*

spoke on behalf of the five other regional directors and their staffs, praising the State Energy Program and Rebuild America. Director of Weatherization and Intergovernmental Programs John Millhone introduced Assistant Secretary Garman as a public servant who is “giving states the resources they need to achieve their energy efficiency and renewable energy objectives.”

Before taking questions and comments, Garman explained that the joint conference, while still an experiment, is a microcosm of the new EERE. This office, he explained, is now “focused on achieving better results,” partly through greater coordination.

Even though it remains uncertain how much money Congress will appropriate for the Office of Weatherization and Intergovernmental Programs, Garman believes it will only drive State Energy Program and Rebuild America harder. Funding popular programs “can make us lazy,” Garman said.

“I don’t think we should rest upon our laurels. . . . We should strive to achieve more from every dollar.”

Garman also announced the release of the entire series of Energy Design Guidelines for High Performance Schools.